

CALIFORNIA BLUEPRINT FOR WOMEN'S PANDEMIC RECOVERY

EXECUTIVE SUMMARY



The California Commission on
the Status of Women and Girls

Authors - Individual Contributors

Darcy Totten, Primary Author,
California Commission on the Status of Women and Girls

Holly Martinez, Co-Author,
California Commission on the Status of Women and Girls

Michelle Teran-Woolfork, Contributor,
California Commission on the Status of Women and Girls

Kellie Jean Hogue, Contributor, California Research Bureau

Evan B. White, Researcher, California Policy Lab

Brett Fischer, Researcher, California Policy Lab

Primary Report Editors

Darcy Totten, California Commission on the
Status of Women and Girls

Tifani Bartow, California Commission on
the Status of Women and Girls

Holly Martinez, California Commission on the
Status of Women and Girls

Steven Maesteas, California Commission
on the Status of Women and Girls

Samantha Corbin, Corbin and Kaiser

Michelle Teran-Woolfork, California
Commission on the Status of Women and
Girls

Kellie Jean Hogue, California Research
Bureau

Evan B. White, California Policy Lab

Brett Fischer, California Policy Lab

Additional Editors

Marva Diaz, Marva Diaz Strategies

Lauren Babb, MPS Chair

Dani Kando-Kaiser, Corbin and Kaiser

LTC Erica G. Courtney 2nd Vice Chair

Greg Lucas, California State Library

Lisa Zola Greer Member-at-Large

Graphic Design: Pat Davis Design Group (PDDG)

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The California Commission on the Status of Women and Girls

925 L Street #345

Sacramento, CA 95814

www.women.ca.gov

Introduction

For more than 50 years, the California Commission on the Status of Women and Girls (CCSWG) has identified and worked to eliminate inequities in state laws, practices, and conditions that affect California's women and girls. Established as a state agency with 17 appointed commissioners in 1965, the Commission regularly assesses gender equity in a variety of public policy areas, including: health and health access, safety, employment, education, equal representation in the military and the media, and issues relative to the workforce and the economy. The Commission provides leadership through research, policy and program development, education, outreach and collaboration, advocacy, and strategic partnerships.

The California Commission on the Status of Women and Girls (CCSWG) is deeply concerned by the systematic erosion of women's well-being, human rights, and economic status that have been profoundly accelerated by COVID-19 and the associated economic crisis which has led to a worsening of some existing systemic inequities.

This California Blueprint for Women's Pandemic Economic Recovery, the first of its kind, centers the economic needs of women and girls as critical to the state's economic recovery from the COVID-19 pandemic, which remains ongoing. During the first two years of the pandemic, women in the United States lost more than **5.4 million net jobs**. Data shows that the economic crisis exacerbated the cumulative and collective crises women in California were already experiencing. The erosion of women's well-being, human rights, and economic status will likely continue unless halted by deliberate policy interventions and strategic support from government and key stakeholders.

The California Commission on the Status of Women and Girls (CCSWG), in partnership with the California Research Bureau, conducted an initial literature review on the state of women in California for the Women's Recovery Response effort launched in 2021. Studies consistently report that women, especially women of color, experienced greater loss in jobs, income, and childcare services. At the same time, concerns regarding their mental health grew at an alarming rate. In partnership with California Policy Lab (CPL) we conducted our own research that shed light on points of pain and bright spots of hope for a more equitable economic recovery for women.

The California Commission on the Status of Women and Girls (CCSWG) has constructed this statewide blueprint for a recovery response that centers women and supports deliberate gendered policy interventions, but it is only the first step. As California's women and families grapple with the long-term consequences of the COVID-19 pandemic, it is imperative that impacted people with lived experience are empowered to inform policy decisions being made on their behalf, so that services and resources can be designed and implemented appropriately.

Direct and inclusive investments in women, made particularly to women of color, Lesbian Gay, Bisexual, Transgender, Queer, Intersex, Asexual (LGBTQIA+) women, disabled women,

41% of mothers
working from home
provided extra childcare,
while only **15%** of
fathers did when schools
closed.

immigrant women, young women and girls, and women from across the economic spectrum, can ensure that women have a voice proportionate to their contributions and concerns.

California's women and girls, those most impacted by the COVID-19 crisis, must be front and center in leadership roles as we rebuild a postpandemic future.

In July of 2021 the California Commission on the Status of Women and Girls (CCSWG) announced the receipt of a one-time state budget allocation of \$7.9 million to be used to facilitate a **Women's Recovery Response** Grant Program. This effort focuses on supporting organizations at the local level as they respond to the unique needs of women in their communities under COVID-19, and includes a network of local commissions on women as well as organizations providing direct service support. The Commission is grateful to Governor Gavin Newsom, Budget Committee Chairs Senator Nancy Skinner and Assemblymember Phil Ting, California Senate and Assembly Budget staff, and the Legislative Women's Caucus for this necessary and unprecedented commitment to California's women and girls in this time of crisis. We look forward to working together to expand this effort to fully meet the growing need of this historic moment.

The Women's Recovery Response and this Blueprint are designed to focus specifically and primarily on the economic impact of COVID-19 on California's women and girls. Through future work, the Commission will further explore additional impacts of the crisis as well as recommendations for intervention and support.

According to a report released from the Center for the Advancement of Women in Los Angeles, women and girls in California have disproportionately struggled in a variety of ways during the pandemic, including in the workforce, caring for their families and maintaining mental wellness. The Center for the Advancement of Women at **Mount Saint Mary's University** noted that nearly 80% of the jobs initially lost were clustered in retail, education, hospitality, healthcare, and government - industries in which women are overrepresented in lower paying positions. This disparity was reflected in early data, which show that 25% of women in California were unemployed compared to only 20% of men, as COVID-19 began to impact the economy.

Additional findings from the Center for the Advancement of Women at Mount Saint Mary's University's **2021 Report on the Status of Women and Girls in California** show that 41% of mothers working from home provided extra childcare, while only 15% of fathers did when schools closed. In March of 2021, 13.4% of Latinas, 12.8% of Black women and 12.5% of Asian women statewide were officially unemployed, defined as those actively looking for work. That compares with 11.5% of white women at that time.

These additional challenges took a toll on the mental health of many women. According to Mount St. Mary's University, 70% of women suffered anxiety and more than 50% experienced mild to severe depression. Women of color — more than 60% of California's female population — were the hardest hit.

For some women, the situation has begun to improve as the economy reopens. In February of 2022, the Bureau of Labor Statistics (BLS) released data showing women gained 347,000 new net jobs in the economy, or 51%, while men gained 331,000. **The growth for women appears**

to be driven by hiring in hospitality and health care as the economy once again opens up. The childcare industry also added 8,000 jobs in February 2022, helping a workforce that is 95% women return to jobs, while supporting working women in other industries who rely on childcare to work or attend school.

While recent interventions, supports, and employment opportunities improved economic outcomes for some California women, others continue to fare far worse than their pre-pandemic status. Of course, women are not a monolith. Long-standing, systemic inequities that women have historically faced were compounded dramatically by the current crisis. Therefore, those who were the most marginalized before COVID-19 were more likely to have worse outcomes during the pandemic and are less likely to have recovered to date.

We cannot be satisfied with a return to pre-pandemic normalcy. The growing needs and challenges for women resulting from the current global pandemic demand an urgent response and deliberate ongoing policy interventions.

This moment is an opportunity for transformation from a state of perpetual inequity to a world leading example of what it can look like to fundamentally include women at every level of California's economic aspirations.



Economic Blueprint: Focus on California Women's Pandemic Recovery

■ OVERVIEW

As Californians grapple with the long-term consequences of COVID-19, it must be acknowledged that women comprise nearly half of the state's workforce and are integral to the proper flow and function of the fifth largest economy in the world. Research confirms that women are also those most impacted economically by the pandemic. Their noticeable absence from the labor force, or reduced participation, illuminates tears in the fabric of our caregiving infrastructure, workforce and pay inequities, and negatively impacts the state's economy.

The California Commission on the Status of Women and Girls (CCSWG) has worked to construct the first *California Blueprint for Women's Pandemic Economic Recovery (Blueprint)*, which centers the economic needs of women and girls as critical to the state's recovery from the COVID-19 crisis. It adopts, for the first time, a gendered lens on the state economy, recognizing women as key drivers of industry and key workforce participants who are uniquely burdened by the pandemic and whose economic recovery impacts every single Californian.

The Blueprint provides a comprehensive review of the economic engagement of women pre-pandemic and during the apex of the crisis when social safety net programs proved invaluable to keeping them and their families afloat. Then, it imagines a future-forward state economic model that presupposes the value of women's labor in the workforce and at home while contending with a virus that appears to be here to stay.

In partnership with California Policy Lab at U.C. Berkeley (CPL), CCSWG examined pre-pandemic economic conditions for women, women's labor-market outcomes during the height of the pandemic, financial indicators during the peak of the pandemic government response period, and overall safety-net usage by women. CCSWG also reviewed the outcomes of the research and conducted an extensive review of current literature to generate a snapshot of women's economic and financial well-being and offer an estimate of the likely outcomes for all of California's citizens and the state economy moving forward. The Blueprint describes the collective trajectories of groups of women who entered the pandemic already in economic difficulty and explores opportunities to chart new paths based on impact data from federal and state support programs and interventions since the COVID-19 pandemic began.

These policy recommendations focus on potential solutions to pre-existing challenges that were exacerbated by the pandemic and are designed to generate ongoing discussions and debate among California's leaders, advocates, and the public. For California to truly make progress, we must invest in the economic well-being of women, recognizing that they are not simply a unique interest group, but in fact, fully half of the critical drivers of our economy with unique needs that have long gone unmet. The Commission is committed to prioritizing equity and building a state in which women's contributions and labor are properly valued for their significant impact to the state's economy, its people, and communities. California can rebuild, revitalize, recreate, and redefine a post-pandemic future.

FINDINGS AND SOLUTIONS

i FINDING 1: Women went into the pandemic worse off due to existing systemic inequities in the workforce, such as a persistent pay gap and occupational segregation. A significant number of households in California lived on incomes at or below the poverty line prior to the pandemic. Women of color were the first to lose jobs and last to regain them, causing long-term financial stress to their households.

Key Takeaways:

- ✔ Prior to the pandemic, women in California were employed at a rate 20% lower than men, making them nearly half of the state's workforce but a larger percentage of those struggling with poverty.
- ✔ Those who were employed prior to the pandemic earned an average of 78 cents on the dollar, held nearly half the retirement savings, and were enrolled in government safety net programs at three times the rate of men.
- ✔ Prior to the pandemic, nearly half of all working women held low paying jobs, a significant percentage of which were held by women of color. These disparities continue to impact statewide recovery.
- ✔ California's 2019 median household income was \$80,440 for all households (\$65,712 for U.S.) and \$39,871 for nonfamily households with roughly 11.8% of Californians' households (12.3% in the U.S.) living on incomes at or below the federal poverty designation. In 2019, roughly 17.2% of Californians (11.7% in the U.S.) had income insufficient to meet their basic housing needs and by 2020 an estimated 161,548 individuals experienced homelessness (single-night survey method).
- ✔ The pandemic shook the already unstable foundations of women's economic security as the additional burdens of closed schools, family caregiving, and lack of childcare fell disproportionately on their shoulders.
- ✔ Occupational segregation played an outsized role in negative economic outcomes, and it is a significant contributor to gender and racial wage gaps. Female dominated occupations such as the retail, hospitality, and education sectors suffered the largest share of job losses across the nation, disproportionately impacting women of color.
- ✔ Women of color in California, specifically, continue to see lower employment rates as a share of the population compared to white women.
- ✔ Women with disabilities were the most affected, leaving nearly 8% of this group jobless during the acute phase of the pandemic.
- ✔ Nearly one in four (24.1%) non-citizens lost their job, compared to almost one in six naturalized citizens (17.9%) and almost one in seven (14.5%) native-born U.S. citizens.

ACTION:

Deploy interventions that intentionally support broad structural changes to end the gender wage gap, improve workplace equity for women, and alleviate poverty. Solutions include

increasing California's minimum wage, improving pay data transparency requirements for private companies, and ensuring equal pay for equal work for temporary employees.

i FINDING 2: The COVID-19 virus impacted men and women differently, with women facing an elevated risk of Long COVID and more significant impacts to their workforce participation, long term economic health, and ability to build wealth over time.

Key Takeaways:

- ✓ Death and infection rates were significantly correlated with race with Latino and Black Californians seeing the highest death rates and significant impacts to life expectancy.
- ✓ In California alone, it is estimated that between 12.9 and 14.9% of all adults living in the state have experienced symptoms consistent with Long COVID. At the high end, that is roughly 5,960,000 people.
- ✓ One study of nearly 4,000 Long COVID patients found that 45% reduced their work hours. For some, the change in job status can affect health insurance, interfere with childcare, or force exit from the workforce entirely.
- ✓ There are roughly 257,000 full-time equivalent workers out of the California workforce due to Long COVID. This amounts to roughly \$17.61 billion in annual lost earnings, which amounts to roughly half a percent of the total state economy (.49%).

ACTION:

Examine the long-term impact of Long COVID on women's health and economic status, implementing responsive and forward-thinking solutions to preempt continued setbacks and loss including improved access to the state's disability insurance, social security and paid sick leave.

i FINDING 3: Pandemic response through government safety-net programs demonstrably helped women meet life's basic needs, pay down debt, and significantly reduced child poverty, highlighting a clear path forward to an equitable economy that has now been demonstrated to be feasible.

Key Takeaways:

- ✓ Contrary to the argument that unemployment benefits discourage work, the enhancement of these benefits helped low wage workers weather the crisis.
- ✓ 183,000 more women relied on food assistance during the early pandemic, and enrollment in mid-2021 still stood 5% higher than before the pandemic.

- ✓ There are nearly four million Californians with a total of over \$140 billion in student loan debt. Pausing student debt played a role in the ability to improve access to credit and pay down credit card debt, another critical support for women during the pandemic.
- ✓ On average, both women and men with access to credit cards saw their credit scores increase in 2020 and the first half of 2021 by 10-13 points.
- ✓ Prior to the Federal and State social safety net programs deployed during the apex of the pandemic, national child poverty rates stood at 20%. With social safety net enhancements, that number dropped to 12%, effectively reducing child poverty by nearly half.

ACTION:

California must not wait until the next crisis before tackling the opportunity to use the lessons from this one to build more equitable and comprehensive support systems for the long term. Public policy should re-institute, expand, and invest in proven social safety-net programs that alleviate poverty and support economic recovery for women. This includes but is not limited to, enhancing Unemployment Insurance, Paid Family Leave, and Low-Income Housing Tax Credits, expanding Child Tax Credits, and supporting long-term disability experiences - all while increasing investment in and support of women-owned small businesses.

i FINDING 4: Working women in California experience a persistent wage gap which impacts wealth building and financial security and is a contributor to poverty. COVID-19 shutdowns drastically shifted the burdens of caregiving and significantly increased the share of labor at home that fell on women, even those working full time and exposed cracks in a patchwork infrastructure that is also an essential need. Women employed in the care industry were also significantly impacted by shutdowns and a slower industry-wide recovery. Overall, women reported experiencing disproportionate rates of psychological stress.

Key Takeaways:

- ✓ 1 out of every 10 women with kids in California currently does not work, as compared to women without kids, likely as a result of caregiving responsibilities.
- ✓ 61.5% of mothers of children under 12 reported taking on the majority or entirely of extra care work in 2020, compared with 22.4% of fathers.
- ✓ Childcare workers, made up of predominantly women and women of color, remain among the lowest paid workers in California. The median hourly pay for a California childcare worker in 2019 was \$13.43 with approximately 1/3 of these workers on public assistance.
- ✓ California has received more than \$5 billion in one-time federal relief funds to support under-paid childcare providers and cash-strapped families in addition to the state's annual appropriation from the federally subsidized Child Care and Development Fund (CCDF). State leaders have appropriated 48% — roughly \$2.5 billion — of the federal funds to date to keep the underfunded subsidized childcare and development system afloat.

- ✔ The childcare industry is slow to recover to pre-pandemic employment levels with childcare employment 11% down from where it stood before the pandemic.
- ✔ 47% of women in California reported symptoms of anxiety or depression during the pandemic. About 75% of women who specifically reported experiencing economic hardships, also reported experiencing symptoms of anxiety or depression during the pandemic.

ACTION:

The precarious nature of the care industry was illuminated during the pandemic. While the American Rescue Plan stabilized the childcare sector temporarily, California must apply significant investment to address a system that was patchwork to begin with. California has an opportunity to envision a new approach to care, from affordable and accessible childcare options for families, to improving wages and incentives for the caregiving profession. In addition, workplace regulations must provide needed flexibility for parents in the workforce. Supporting economic recovery by investing in an expansion of female-dominated industries and workforce is critical to shoring up this sector of the labor force. We must consider caregiving as a public good worthy of public investment and respond accordingly with state funds.

❗ FINDING 5: Social safety net support during the apex of the pandemic provided a clear path toward alleviating poverty for women and families. As these supports are withdrawn, measures of economic struggle are returning to pre-pandemic levels. Gender is a substantive element of the health of the state's overall workforce and capacity for economic growth and must be considered as an essential element in State resource stewardship.

Key Takeaways:

- ✔ The pandemic added an estimated 36 years to the time it will take for women to make the same amount as men, bringing the total to 135 years.
- ✔ In California, if all working women and working single mothers earned the same as men in comparable roles, the state's poverty rate would be reduced by about 40%.
- ✔ Economic support has been withdrawn and household credit card usage is now returning to pre-pandemic levels, with low-income consumers falling behind on payments. Nationally, credit card debt has seen the largest jump in a 20-year history, with credit card balances for households in the U.S. total \$890 billion, and the total household debt is now more than \$16 trillion.
- ✔ Women make up 58% of minimum wage workers and 56% of Americans living in poverty, thus ensuring that the 2022 inflation surge was not gender neutral.
- ✔ California has barreled toward recovery, with overall unemployment rates falling to 3.9%, a historic low going back to the official data series started in 1976. The state as a whole has accounted for 16.1% of the nation's new jobs as of July 2022 and has recovered all of the private-sector jobs lost during the pandemic. One thing these numbers do not tell us, however, is the type of work, compensation, flexibility, or the intangible elements

of work, including caregiving. It also does not address the lasting repercussions of the pandemic on women and families who could not afford to spend two years not working or working less. The overall hit to wealth building results in less savings, home ownership or investments or retirement savings and remains an issue for the state and the economy as a whole.

ACTION:

The Inflation Reduction Act offers a unique opportunity to support California women in the workforce, especially in industries where they are often overlooked or under-resourced. Additionally, California should take advantage of the current opportunity to enhance social safety net programs proven to alleviate poverty and make those changes permanent. Policy, leadership, budgetary investments and overall workforce concerns must center intersectional approaches that presuppose structural gender bias and compounding challenges for women of color, women with disabilities, members of the LGBTQIA+ community and others, particularly in investments designed to learn from this moment in advance of future crises. In addition, California must commit to future research and improved data collection and transparency, and elevating women's voices and influence on critical matters of the state.

CONCLUSION

Across every sector, from health to the economy, the impacts of COVID-19 are exacerbated for women and girls. The pandemic is deepening pre-existing inequalities, exposing vulnerabilities in our economic, political, and social systems which are, in turn, broadcasting and amplifying its unequal impacts. The national U.S. pandemic response largely failed to view planning, operations and policy through a gender lens - but that does not have to be the case for California.

As California rebuilds necessary systems, the diverse viewpoints of all women must be included from within the local communities that these systems aim to serve to improve equity and inclusion. The California Commission on the Status of Women and Girls (CCSWG) is committed to leading the work to better understand the impact of COVID-19 on women and families and to ensure that women are represented as a critical step toward equitable recovery statewide.

It is in California's interest to support the creation of at least one Commission on Women in each of our diverse 58 counties, to provide perspective and feedback to state lawmakers. It is through the work of local Commissions, direct service providers, and nonprofit partners that a gender-focused needs assessment can be produced annually to quantify the long-term economic impact of the pandemic for women (lost wages, benefits, retirement, job advancement) to help policymakers successfully implement recovery activities over the next decade.

The magnitude of economic setbacks for so many Californians requires long-term dedicated funding for research and relief as well as immediate intervention. Additional resources and the development of a local Commission in each county scaffolds a public policy-oriented network that can do more than simply distribute resources - it can act as an early warning system for future crises that disproportionately impact women.

Indeed, we must build a more direct system of **support for women** in communities across the state by strengthening the existing network and establishing new local commissions, **growing diverse representation of all women's voices** increasing resources for direct service providers to support the **economic recovery of women** and improving the economic circumstances of girls through targeted and ongoing relief.

We cannot rebuild an equitable California without parity when it comes to state, county, city and community investment in our recovery, opportunity, and success. When you invest in women you invest in everyone – because California women are essential to our entire economy.

The California Commission on the Status of Women and Girls was established in 1965. By the 1960's modernism was a global movement seeking a new alignment with the experience and values of modern industrial life. The design for this report reflects the similarities of our modern circumstances to that era and showcases how much progress has been made that we can learn from and the work that is still needed as we radically reimagine a future that is wholly inclusive of women and girls.



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925 L Street Ste 345, Sacramento, California 95814

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